

## **The Consumer Voice in Europe**

Mr Stéphane Séjourné
Executive Vice President for
Prosperity and Industrial
Strategy
European Commission
Rue de la Loi 200

B-1049

Brussels

BEUC-X-2024-097

Brussels, 01/12/2024

**Subject: The Consumer Mission Letter** 

Dear Executive Vice President Séjourné,

On behalf of BEUC, The European Consumer Organisation, I wish to congratulate you on your recent appointment as Executive Vice President for Prosperity and Industrial Strategy. Created in 1962, we represent 44 national consumer groups from 31 European countries. Thanks to our members' market watchdog role, their product testing and daily contacts with consumers from across Europe, we can support you with evidence-based recommendations to ensure the European economy delivers to consumers.

We fully support your mission to develop a new industrial strategy, strengthen the single market, and ensure fair competition in the EU through trade and customs policies. We were pleased to learn during your European Parliament hearing that the Commission will focus efforts throughout its 2024-2029 term on boosting products which contribute to the sustainability transition and prevent unsafe products to reach consumers through ecommerce. It was also reassuring to hear you say that simplification does not mean deregulation.

Consumer organisations can, and must be, part of this process. For you to be a true consumer champion, we believe that the below proposals should be part of your mission.

# The current shortcomings

The Single Market is one of greatest achievements of the Union. It brings increased choice of goods and services and better value for money to 449 million consumers in the EU.

However, consumers are also facing challenges to fully benefit from it when barriers are artificially raised to protect domestic markets or companies engage in illegal practices across the borders, including misleading green claims and online dark patterns. They are also facing a massive influx of imported products that breach EU law. Consumers deserve their rights to be respected and to benefit from a truly competitive Single Market.

## Consumers' proposals for your mission

#### Removing barriers for consumers in the Single Market

The Single Market is a vehicle to enhance people's well-being and enable the digital and green transitions. To fully reach the potential of its Single Market, the EU needs to remove the remaining barriers consumers face. This means enabling consumers to travel across Europe by boosting intra EU-rail and improving cross border protection in multi-modal transport. It also means empowering consumers to benefit from services by putting an end to geo-blocking of audiovisual content, prohibitive intra-EU calls fees and improving electricity interconnections.

### Consumer protection as a vector of competitiveness

Your mission will be to support EU's competitiveness, while maintaining high levels of consumer protection. This is how the EU will thrive in this new geopolitical context: strong protections for consumers will incentivise companies to be more competitive. Your pledge to boost sales of electric cars and heat pumps is a step in the right direction and will be a good basis for the Clean Industrial Deal. We encourage you to expand the focus on the demand side, by correcting taxation and price signals. If you issue an EU-wide electrification mandate for large corporate fleets, it will fast-track access to electric vehicles for second-hand buyers. Another key element is to explore financing options for households. The revenues from the Emissions Trading Scheme 2 should entirely flow back to consumers as lump sum payments, electric car social leasing schemes, incentives for housing retrofit or building of public and active transport infrastructure.

Another means to enhance the EU's competitiveness is through the revision of the main EU chemicals law, REACH. An ambitious revision should enable faster, preventive action against harmful chemicals such as PFAS as they are widespread in consumer products. This will not only improve consumer protection and drive innovation in safer alternatives, but also represents a practical and efficient solution to create market demand for safe and high quality secondary raw materials. In support, the REACH revision must ensure stronger controls on imports and on online sales to level the playing field for products produced in the EU.

### **Enforcement of EU law as a Single Market priority**

Our members have been testing products sold online by major online marketplaces, both foreign and European ones. In one test of 250 products, they revealed that two thirds breached the EU product safety law. Their most recent tests on products sold on marketplaces such as Temu and Shein uncovered clear infringements of EU product safety and chemical regulations. If Europe wants to be more competitive, it needs to fully enforce its laws and take action in case of infringements. We also count on you to help guiding the reform of the EU's customs regime. This will require dissuasive sanctions to ensure that third country traders respect EU law and export products in line with European rules.

#### A coherent Competitiveness Fund

To ensure coherence between the European Competitiveness Fund and State aids, we encourage you to explore the possibility of conditionalities. Indeed, some economic operators are calling on the EU to protect them from foreign competition and provide more public support. But this support needs to benefit society as a whole. For example, in the pharmaceutical sector consumers face medicines shortages and increased prices. Any State aid should be conditioned to access and affordability criteria. The same goes for electric cars: manufacturers' failure to meet the consumer demand for smaller and more affordable vehicles is slowing down the transition. Should companies receive State aid, conditions should be foreseen to better address consumer needs.

#### A new trade and economic security order for consumers

The EU will have to adapt to the next US administration and potential tariffs. It will also adopt a new economic security doctrine to address China's practices. Any EU retaliation through increased tariffs could harm consumers' prices and choices, especially if tariffs target products consumers need for the green transition. While ensuring fair competition from third country producers, we count on you to carefully assess the impact of trade defence measures on consumers. Moreover, we encourage you to ensure that trade agreements will benefit and protect consumers. They should focus more on access to raw materials, heat pumps and smart thermometers, rather than over promoting imports of less sustainable products such as meat and dairy as they clash with the objectives of the Green Deal.

### The way forward

We are aware that you have a busy agenda but hope nonetheless that you will find the time to meet with us. We would be keen to hear your reaction to our proposals and would

like to elaborate more about the expectations of European consumers on the European decisionmakers.

Please count on our support if you need information about the consumer perspective in your policy areas.

Please find enclosed our priorities for this new Commission.

I wish you a most successful mandate.

Yours sincerely,

Agustín Reyna Director General

Encl.: Europe, Consumers Count on You – BEUC priorities for the next European Commission (2024-2029) The consumer take on the Clean Industrial Deal, BEUC position paper, 2024.